

MINUTES OF REGULAR MEETING OF DIRECTORS

July 28, 2020

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday July 28, 2020 at the Headquarters facility. The meeting was called to order at 8:39 AM by President Pyatt. Present for the meeting were:

Paul Pyatt, President
Paul Hicks, Vice President
Kevin Liefer, Sec.-Treasurer
Ken Jarrett
Randall Campbell
Larry Ebers
Kevin Bame
Rick Asaturian
Steve Prest

Shane Hermetz, GM/EVP
Dennis Luehr, Staff
Bart Swisher, Staff
Brad Austin, Staff

Ms. Casey Twomey, Attorney

Absent: None

MEMBER and GUEST COMMENTS: NONE

The **CONSENT AGENDA**, consisting of the consideration of prior month's board meeting minutes, review the list of checks written during the prior month (the EVP/GM expenses were reviewed by the Secretary/Treasurer), the prior month's treasurer's report, capital credit estate refunds (\$zero) for the month, the AIEC report, the NRECA report, the CRC report, the CFC banking report, the right of way report, the EECA safety report, the EECA Strategic Scorecard, the regulatory report, and the outage report were approved on a motion by Mr. Jarrett and seconded by Mr. Campbell, motion carried.

SIPC DIRECTOR REPORTS: The SIPC report on Electric Systems was given by Mr. Liefer. Mr. Liefer discussed the current electric systems projects, requests for system interconnections, and the various transmission system projects at SIPC. Discussion followed. The SIPC report on Power Production was given by Mr. Pyatt. Mr. Pyatt discussed the status of fuels, fuel markets, regulatory compliance, and electricity production. Discussion followed. The SIPC report on Admin and Finance was given by Mr. Jarrett. Mr. Jarrett reviewed current finances for the month and year to date. Discussion followed. Mr. Hermetz commented on SIPC finances and the upcoming decisions regarding power generation at SIPC. Discussion followed. A motion was made to approve this report by Mr. Prest seconded by Mr. Bame, motion carried.

ENGINEERING\OPERATIONS REPORT: Mr. Austin presented the Engineering and Operations Report. A current listing of members requesting an interconnection of a solar panel was shared in the Board materials. Mr. Austin updated the Board on the status of casino at Walkers Bluff, and a variety of other projects. Discussion followed. Mr. Austin updated the Board on the AMI deployment schedule. Mr. Austin discussed the electric school buses project with a local school district. Discussion followed.

IT REPORT: Mr. Swisher presented the IT report. He discussed the AMI deployment and cybersecurity efforts moving forward. Mr. Swisher discussed activities performed as a shared service with Clay Electric Cooperative. Discussion followed.

MEMBER SERVICES REPORT: Mr. Hermetz presented the Member Services Report. Copies of the upcoming month's Illinois Country Living center section and Page 11 ad were presented in the Board materials. Mr. Hermetz reviewed the status of the Annual Meeting scholarships, discussed the upcoming member survey, the Red Cross blood drive set for August, the new bill format design project, the new membership booklet project, and the status of Operation Round-Up. Discussion followed.

FINANCIAL REPORTS: Mr. Dennis Luehr presented the Human Resources and Finance Report. Total margin for June 2020 was \$162,210.85 vs budget of -\$9,443.88. Operating Revenue was \$3,335,077.36 down 2.15% from June last year at \$3,408,438.53. KWH sales were 25,727,129 down 2.51% from last June at 26,390,731. KWH purchases were 27,137,585 an increase of 3.19% from June last year at 26,298,113. Variance of Major Costs from budget was Power Cost \$306,316.99 lower, Distribution Expense \$89,729.64 lower,

Depreciation \$17,094.87 lower, Interest Expense \$7,031.33 lower, Customer Expenses \$13,226.88 lower, Sales Expense \$593.99 higher, and General and Administrative Expenses were \$19,437.73 lower. Mr. Luehr discussed the status of the Payroll Protection Program (PPP) application. Discussion followed. He also discussed our distribution equity position, the status of delinquent accounts, the status of capital credit retirement checks, the status of the Cost of Service study, and the current new hire in the accounting department. Discussion followed.

LEGAL REPORT: Attorney Casey Twomey reported all legal matters are current, with nothing new to report.

MANAGER'S REPORT: Mr. Hermetz presented the Manager's report. Items of correspondence, along with questions from last meeting were discussed, and member compliments/complaints were shared. Discussion followed. Mr. Hermetz discussed current finances along with the process of disconnection for non-pay that is underway, along with an update on the RESTORE ILLINOIS program and the EECA response to COVID-19. He also highlighted the upcoming Strategic Planning session and what topics were to be covered. Discussion followed. Upon a motion by Mr. Hicks, seconded by Mr. Liefer, the General Manager's report was approved.

OTHER BUSINESS:

Upon a motion by Mr. Campbell, seconded by Mr. Asaturian, and a vote taken thereon, it was unanimously agreed upon **to approve the minutes of the 2020 Cooperative Reorganization meeting held on the morning of July 28, 2020.**

Upon a motion by Mr. Prest, seconded by Mr. Jarrett, and a vote taken thereon, it was unanimously **to reschedule the 2020 Strategic planning session for September 15, 2020, starting at 8:30AM.**

EXECUTIVE SESSION: The board entered executive session at 11:08 AM. They returned to regular session at 11:52 AM.

MEETINGS: The next scheduled Board of Directors meeting will be held at the EECA Headquarters office beginning at 8:30AM on Tuesday, August 25, 2020. There being no further business to come before the Board of Directors, the meeting was adjourned at 11:53 AM.

Date Approved: August 25, 2020

Kevin Liefer, Board Secretary/Treasurer

Recorded by Shane Hermetz, EVP/GM